

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND**

CARMEN’S CORNER STORE, *et al.*,

Plaintiffs,

v.

U.S. DEPARTMENT OF AGRICULTURE,
et al.,

Defendants.

Civil Action No. 1:23-cv-02059-LKG

JOINT NOTICE OF SETTLEMENT AND MOTION STAY ALL DEADLINES

Plaintiffs, Carmen’s Corner Store and Altimont Mark Wilks (the “Plaintiffs”), and Defendants, the U.S. Department of Agriculture (“USDA”), the USDA’s Food & Nutrition Service (“FNS”), Thomas J. Vilsack, sued in his official capacity as the Secretary of the USDA, Stacey Dean, sued in her official capacity as Deputy Under Secretary of FNS, and the United States of America (collectively, the “Defendants” and together with Plaintiffs, the “Parties”), hereby jointly notify the Court that on October 31, 2023, the Parties reached an agreement in principle on the terms of a settlement of the above-captioned civil action. The Parties will diligently work towards memorializing the settlement agreement and will file a Stipulation of Dismissal within thirty (30) days of the date of this Joint Notice. If the Parties are unable to effectuate a settlement within this time, the Parties will file a joint status report at that time to inform the Court of the status of settlement consummation. In support of this request, the Parties state as follows:

1. Plaintiffs filed their Complaint in this case on July 31, 2023, seeking judicial review of, *inter alia*, the Defendants’ decision denying Plaintiffs’ application for the Frederick, Maryland location of Carmen’s Corner Store to participate in SNAP as a result of Mr. Wilk’s prior 2004 drug conviction.

2. Plaintiffs' SNAP application was denied based on USDA's previous interpretation of the "business integrity rule," 7 C.F.R. § 278.1(b)(3).

3. In January 2023, USDA implemented interim guidance on the interpretation of the business integrity rule. Under the interim guidance, drug convictions for possession with intent to distribute are disqualifying under the business integrity rule if they involve "[d]istributing or intent to distribute controlled substances on store property."

4. USDA has agreed to allow Plaintiffs to re-apply for SNAP at their Hagerstown and Frederick store locations immediately.

5. The Parties have reached an agreement in principle on the terms on which they will settle the remainder of Plaintiffs' claims in this case, and will work diligently to memorialize the terms of their agreement and dismiss this case.

WHEREFORE, the Parties respectfully and jointly request that the Court enter an Order:

1. Staying all deadlines in this case; and
2. Ordering the Parties to file a status report regarding the status of settlement consummation within thirty (30) days of the date of this filing, *i.e.*, by December 1, 2023, if the Parties have not filed a Stipulation of Dismissal as of that date.

A proposed form of order is attached.

[signature appears on following page]

Respectfully and jointly submitted,

_____/s/
(signed with permission of Jared McClain)
Jared McClain (Bar No. 21322)
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CERTIFICATE OF SERVICE

I certify that on this 1st day of November, 2023, I electronically served a copy of the foregoing Stipulation on all parties receiving CM/ECF notices in this case.

_____/s/
Michael J. Wilson